

Private Cable Operator also know as “SMATV” are a key component of exclusive and bulk agreements. On the new “wired communities” lingo they are also know as the special purpose entity. The deregulation of private cable operators and the loophole left by the FCC on MDUs enable large cable companies and developers to build the exclusive and bulk billing monopolies. So now, we have single houses whose deeds are entered as condominiums (MDUs) and developers are private cable operators (PCOs). I have attached a document Title Master Communications Easements in the Fiber Age that explains their role.

As an industry, private cable operators stood by these events and did nothing to preserve their niche market carved by the FCC for their sole benefit. While consumers were being oppressed and their rights were denied no one in the cable industry cried foul. Now that their business is going away, private cables operators found their voice. Perhaps, they should have been vocal and align with their customers before the government had to intervene.

In the cable industry we see yet another example of corporate greed. How else can you explain that an industry sector resorted to monopolies as their business model for the 21st century? A large group of individuals were not paying attention in business school, and they are now in charge of cable companies. They also don’t watch news and apparently miss all information about greedy corporate executives that are now in federal prison. News flash for cable executives and developers, in many states antitrust and conspiracy to defraud customers are felonies.

Rather than complaint about what is going away, private cable operators should start working on new business models and figure out how to make a profit without subsidies from their customers. Further, I exposed the industry will be better off after all the subsidized and inefficient corporations disappear.

As a customer locked on a 25 to 75 years exclusive bulk services contract, I will never forget the pain that the cable industry continues to inflict upon me. For every single corporation that put profit in front of their customers the short term prospects may look good, but in the long term you will lose. Private Cable Operators will lose, and would have no one to blame but themselves.

Respectfully,
Hector Castro

